
Introduction to the Climate Registry



The Climate Registry

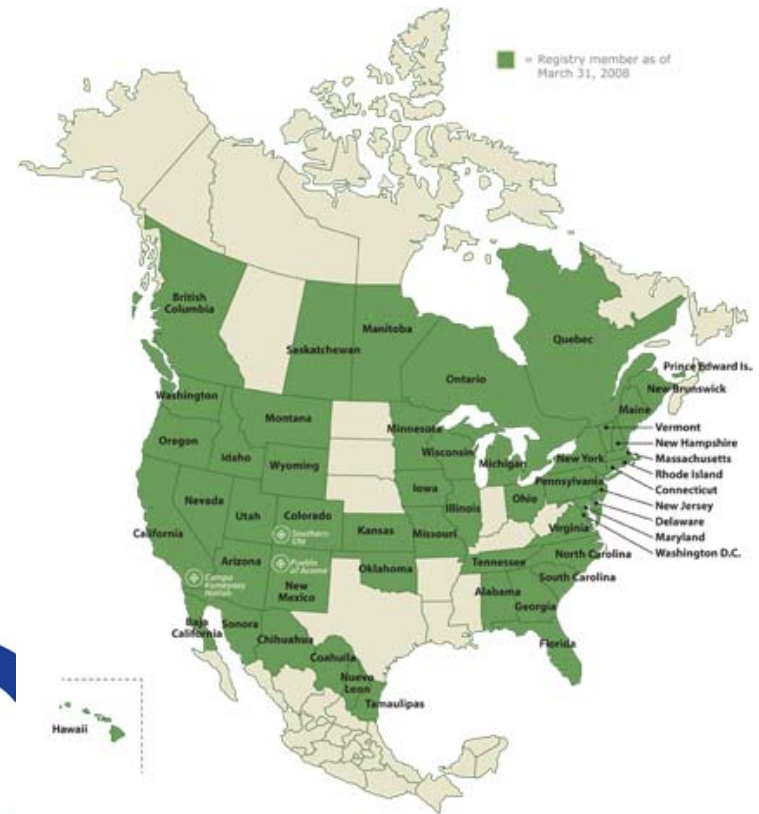
The State of Montana
August 7, 2008

The Climate Registry

MISSION: To standardize and centralize high quality GHG data into a North American GHG registry to support voluntary and mandatory reporting programs

MEMBERS: 9 Canadian Provinces
39 U.S. States
6 Mexican states
3 Tribal Nations

REPORTERS: 267 Reporters



The Registry General Overview

- The largest climate initiative in North America
- Policy neutral
 - Policy decisions are left to the provinces, states and tribes
 - No lobbying
- It's about accurate, consistent data
 - Protocols based on internationally-recognized standards
 - The Registry coordinates with state/provincial, regional and federal policymakers



Key Registry Components

- Participation in the Registry requires organizations to report:
 - All GHG emissions in North America (Canada, US, Mexico)
 - Entity-wide emissions at the facility-level
 - All six GHGs
 - All direct emissions (Scope 1) and indirect emissions (Scope 2)
 - Annually
- Additionally, the Registry requires all Reporters use third-party verifiers to confirm their annual reported emissions



Value to States/Tribes/Provinces

- Creates accounting infrastructure to support local GHG policies
- Cost effective—builds on what is established
- Opportunity to collaborate with other jurisdictions
- Gives you a stronger voice in establishing regional/national standards
- Helps companies to establish a baseline and demonstrate reductions



Benefits for Reporters

- A cost effective means to measure GHG emissions
 - Access to software and technical support
- Document early actions
- Prepare for mandatory state/federal reporting
- Education for employees on GHG emissions
- Recognition as a global environmental leader
- Get a seat at the table (don't be on the menu)
- Save money on energy



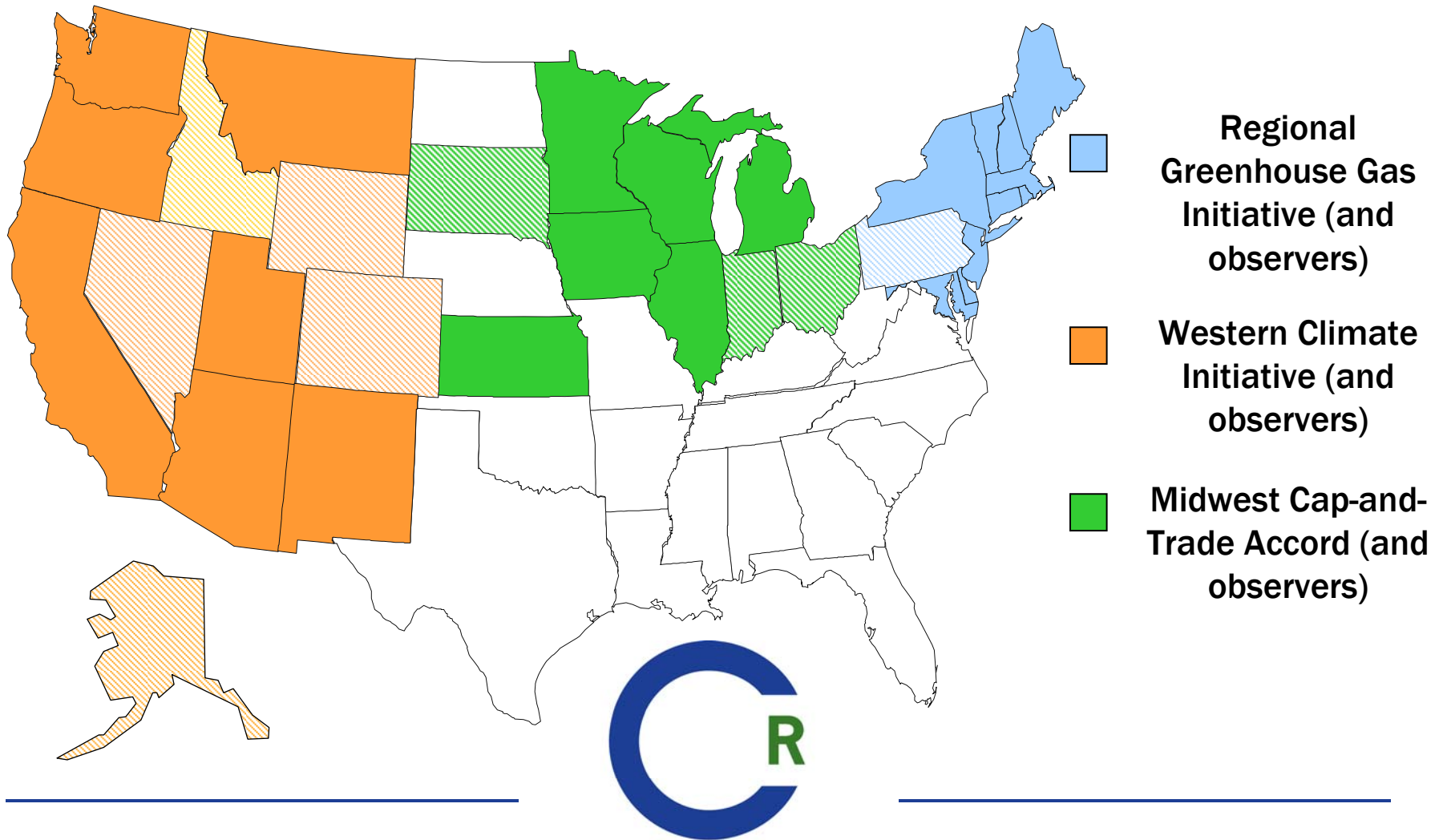
Mandatory State/Regional Reporting

- Many states are implementing mandatory reporting through the Registry
 - Regulated companies will not necessarily have to meet all Registry reporting requirements (such as North American reporting).
 - Requirements for mandatory programs will be determined by the states (Sources, Thresholds, etc).



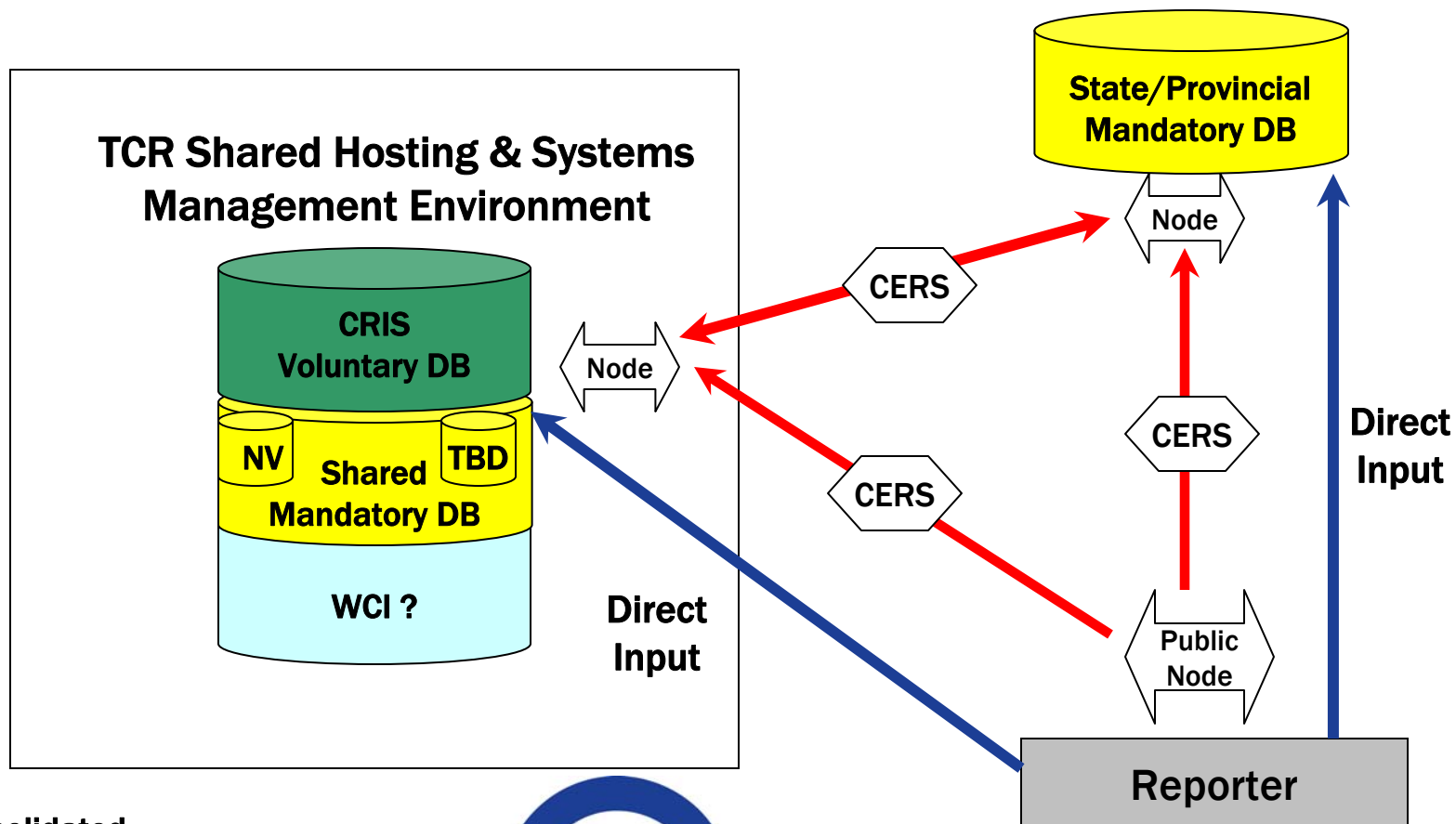
State-based GHG trading is expanding

Large % of US in process of creating trading program



Support Both Mandatory and Voluntary Programs

Integration of Data Exchange Environments



CERS: Consolidated
Emissions
Reporting Schema



The Climate Registry

Public Client
Node/web
interface

Working with EPA/Environment Canada to link to Federal Programs



Mandatory Federal Reporting

- New federal mandatory reporting law:
 - Includes all sectors of economy
 - EPA DRAFT rule in Sept with Final rule 6/09
 - First reporting year likely 2011 (maybe 2010)
- What does this mean?
 - Title V sources will likely be reporting emissions
 - Get engaged in the process now
 - Climate Registry likely to strongly inform federal process
 - Know and understand your GHG footprint

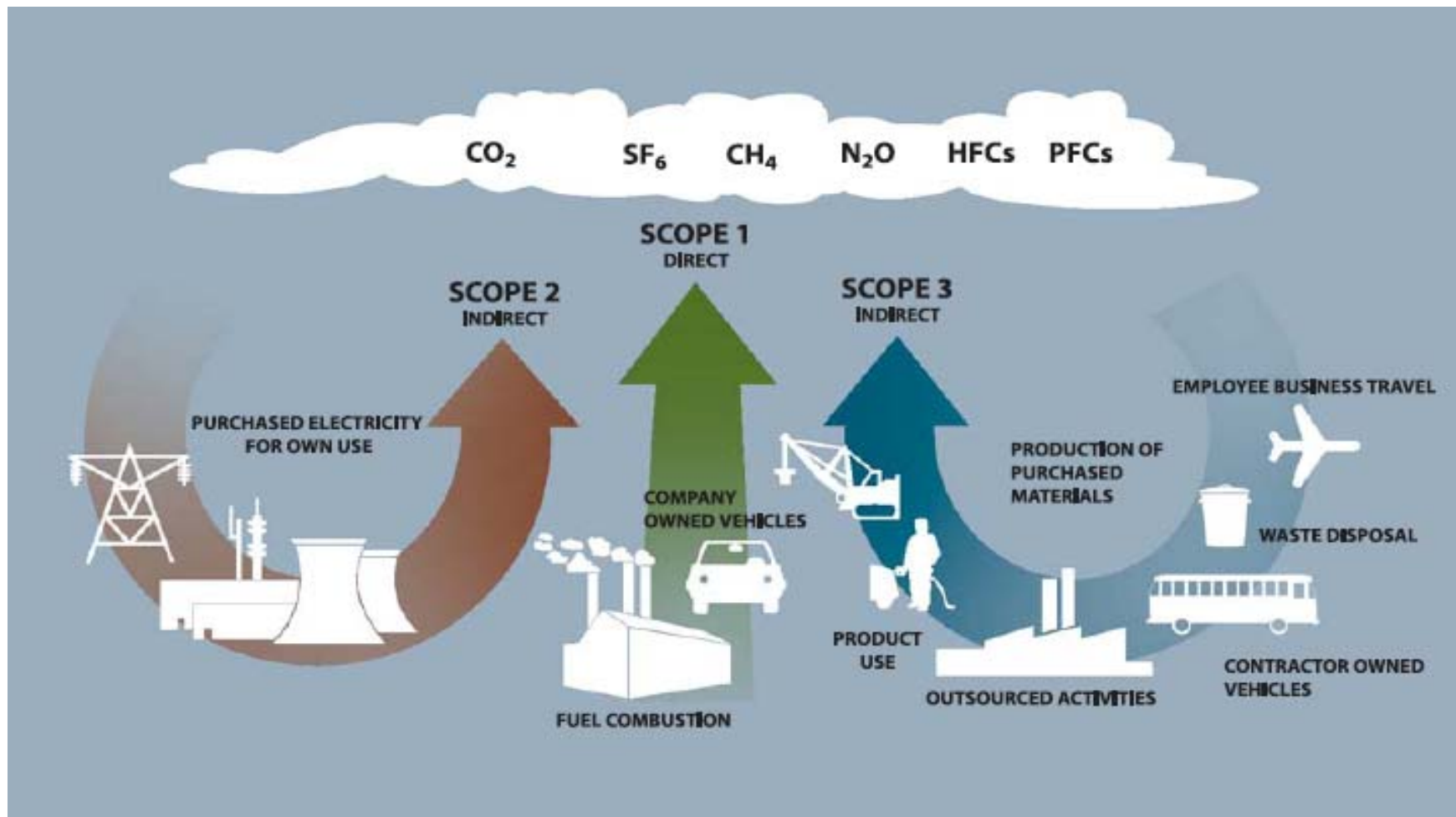


How to participate:

Step One – Gather data (1)

- ❑ Input data by facility into web-based software
- ❑ Annually, on calendar year basis
- ❑ All 6 Kyoto gases (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆)
- ❑ Direct: stationary, mobile, process and fugitive
- ❑ Indirect: electricity and steam
- ❑ Estimation permitted for up to 5% of emissions
- ❑ Operational control, financial control or equity share





How to participate:

Step One – Gather data (2)

- ❑ **Geographic scope: All North America**
 - **Transitional reporting: At least all CO₂ for at least one state/province for first two years of participation**
- ❑ **Historic data may be submitted**
 - **Must be third-party certified**
 - **Minimum: CO₂ from all stationary sources for one state/province**
- ❑ **Tracking mostly through utility bills and vehicle fuel**



How to participate:

Step Two – Verify

- ❑ Have your data reviewed by an approved verifier annually
- ❑ Accreditation process being managed by ANSI
 - Linked to ISO process
- ❑ First pool of verifiers should be accredited by fall 2008



Verification

■ What is Verification?

- Independent review of reported emissions

■ Why is it Important?

- Ensures reported emissions adhere to the reporting requirements and achieve a minimum quality standard (95% accuracy)



Multi-Year Verification Cycle

Year 1:

- (a) Identify Emission Sources**
- (b) Review Management Systems**
- (c) Verify Emission Calculations**

Years 2-5: (c) Verify Emission Calculations

Year 6: Repeat Year 1 Activities

Must change verifier after 5 years



Batch Verification

■ Eligibility Threshold:

- ❑ 1000 metric tons total CO₂e, with no significant process/fugitive emissions

■ Emissions Sources:

- ❑ Indirect emissions from electricity consumption,
- ❑ Direct emissions from stationary combustion for heating or cooling, and
- ❑ Direct emissions from mobile sources.



How to participate:

Step Three – Publish

- ❑ Publish your data publicly on the Registry's website
- ❑ Includes facility data
 - May request exemption so that data is aggregated to state level
- ❑ Your annual public report may include other information you wish to report about environmental efforts, programs and reduction targets



Where does the Registry belong in the list of existing, voluntary climate programs?

GHG REGISTRIES

- CA Climate Action Registry
- The Climate Registry

GHG REDUCTION PROGRAMS

- EPA Climate Leaders
- DOE 1605b/Climate Vision

TRADING PROGRAMS

- Chicago Climate Exchange (CCX)

INVESTOR DISCLOSURE

- Global Reporting Initiative
- Carbon Disclosure Project



Comparison of Voluntary GHG Programs

PROGRAM	Participants	Purpose	Reporting Level	Organizational Boundaries	Emissions Scope	Third-Party Verification
DOE 1605b	Varies: includes facilities and entities	Varies: some entity inventories, some reductions	Entity Level (starting 2007)	Choice of equity share, financial and/or operational control	Scope 1 (Indirect Optional)	Optional
EPA Climate Leaders	US Corporations	Corporate reduction goals	Entity Level	Determined by Participant	Scope 1 & 2; (Scope 3 Optional)	Optional
Chicago Climate Exchange	Varies: includes US and International companies	Emission reduction trading	Entity, Facility or Project Level	Equity Share	Scope 1 (Indirect Optional)	Required (Performed by Finra)
The Climate Registry	North American Organizations (Report NA &/or International Emissions)	Entity-wide GHG registry	Entity-wide at Facility Level	Choice of equity share, financial and/or operational control	Scope 1 & 2 (Scope 3 optional)	Required

Costs of Participation

Annual Participation Fee

Annual Verification Fee

Staff time



Climate Registry Fee Structure

Commercial and Industrial Organizations with Revenues:

Over \$2 billion	\$10,000
From \$500 million - \$2 billion	\$6,000
From \$100 million - \$500 million	\$3,500
From \$20 million - \$100 million.....	\$1,700
Under \$20 million	\$600

Non-profit, Government and Academic Organizations with Budgets:

Over \$2 billion	\$5,000
From \$500 million - \$2 billion	\$3,500
From \$100 million - \$500 million	\$2,500
From \$20 million - \$100 million.....	\$850
Under \$20 million	\$450



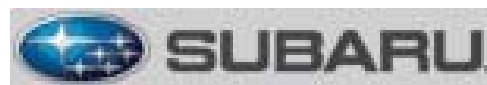
Verification Costs

Costs will vary with:

- 1. Quality of data and management systems**
- 2. Organization of data**
- 3. Size and complexity of operations**



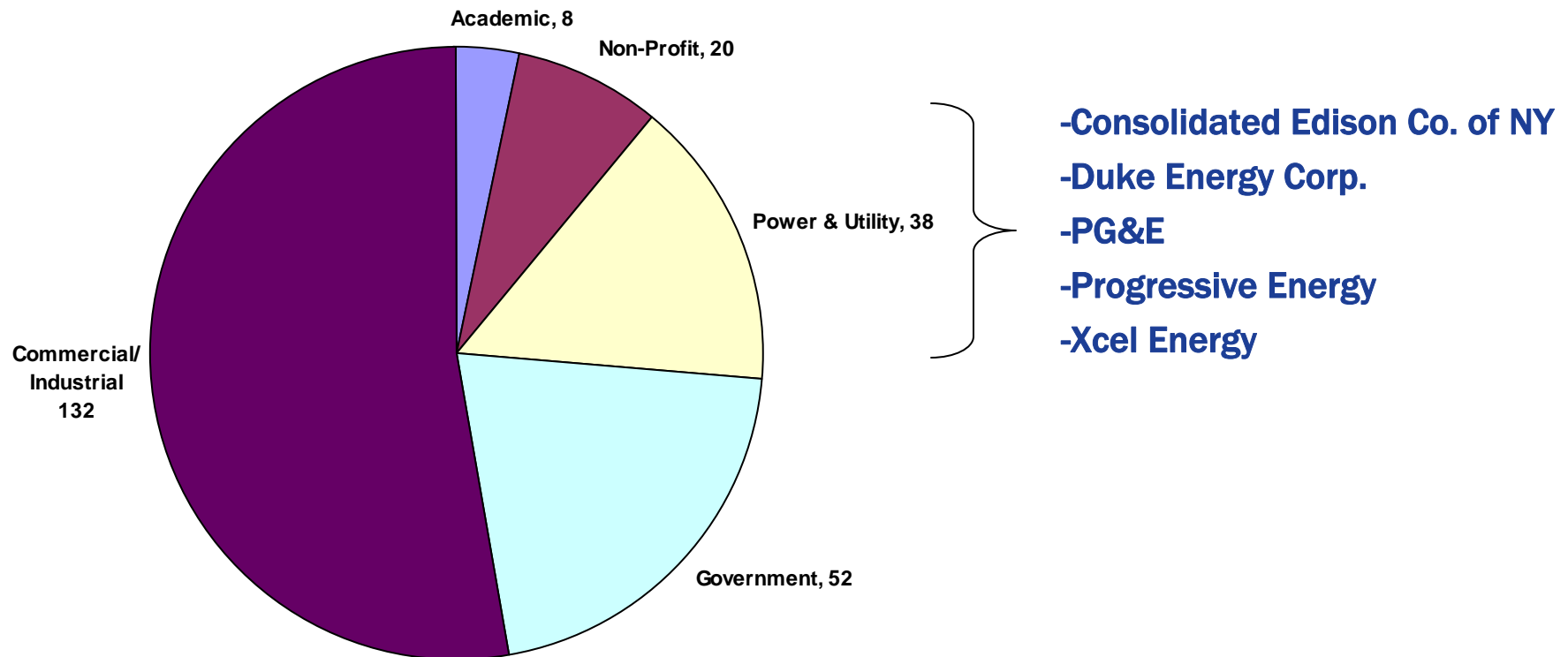
Who are the reporters?



The Climate Registry

Reporter Overview - Sector Overview

Power and Utilities are a over 15% of total reporters in TCR with 5 fortune 500 companies



Electric Power Companies

Arizona Electric Power Coop
Arizona Public Service
Bonneville Power
City of Riverside Public Utilities
Clark Public Utilities
Colorado Springs Utilities
Consolidated Edison
Covanta Energy
Duke Energy Corporation
Edison International El Dorado Energy
Great River Energy
Green Mountain Power
Mesquite Power
MidAmerican Energy
Minnesota Power
Mirant Corporation
National Grid

New York Power Authority
Northern California Power Agency
PacifiCorp
PG&E
Platte River Power Authority
Progress Energy
Public Utility District No. 1 of Clallam
County
Sacramento Municipal Utility District
Salt River Project
Santee Cooper
SCANA Corporation
Seattle Steam Company Sierra Pacific
Resources
Southwestern Power
Termoelectrica de Mexicali
Tri-State Generation
Tucson Electric Power Company
Westar Energy
Wolverine Power Cooperative
Xcel Energy



Power and Utilities Reporter Benefits

Benefits of Joining the Registry

- Participation in creation of Power and Utilities protocol
- Ease of CEM data transfer
- Creation of Carbon Intensity Metrics



Protocols

■ Currently Available

- General Reporting Protocol
- General Verification Protocol
- Guidance on Accreditation (of Verification Bodies)

■ Under Development

- Electric Power
- Oil/Gas
- Local Governments



Protocol Development in 2008/2009

Utility protocol development on top of priority list

<u>Sector</u>	<u>Protocol Development</u>	<u>TCR Adoption</u>
Power & Utility	July 08 – Jan. 09	Feb 2009
Oil & Gas	Aug. 08 – Feb. 09	March 2009
Local Government	Jan. 08 – Sept. 08	October 2008

Utility Issues to Address

- Renewables and RECs
- Allocation of emissions from cogeneration
- Transmission and distribution
- Issues related to a first-seller or first-deliverer market-based system



Climate Registry Information System (CRIS)

- On-line software for calculating and reporting entity GHG emissions
- Launched June 30, 2008 after beta-testing
- Building an Inventory webinars occurring
- CRIS reporting training to begin soon



How to participate

- Submit signed Statement of Intent
- Pay fee
- Begin Inputting data into CRIS
 - First year of data can be 2008, 2009 or earlier



For More Information:

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